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COMMISSION ON HUMAN RIGHTS

SUB-COMMISSION ON THE PROMOTION AND PROTECTION OF HUMAN RIGHTS

Fifty-second session

SUMMARY RECORD OF THE 12th MEETING

Held at the Palais des Nations, Geneva,
on Wednesday, 9 August 2000, at 3 p.m.

Chairperson: Ms. MOTOC

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(c) THE QUESTION OF TRANSNATIONAL CORPORATIONS;

(d) THE REALIZATION OF THE RIGHT TO EDUCATION, INCLUDING EDUCATION IN HUMAN RIGHTS

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GE.00-14783 (E)

The meeting was called to order at 3 p.m.

THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS:

(a) THE INTERNATIONAL ECONOMIC ORDER AND THE PROMOTION OF HUMAN RIGHTS;

(b) THE REALIZATION OF THE RIGHT TO DEVELOPMENT;

(c) THE QUESTION OF TRANSNATIONAL CORPORATIONS;

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(agenda item 4) (continued) (E/CN.4/Sub.2/2000/13, 14 and Add.1, 15 and 16 and Corr.1; E/CN.4/Sub.2/2000/NGO/5-7, 9, 10, 13, 14, 16, 17, 19 and 20; E/CN.4/2000/5, 20, 49 and 52 and Add.1; E/CN.4/1999/WG.18/2; E/CN.4/Sub.2/1998/7; E/CN.4/Sub.2/AC.4/2000/5, E/C.12/1999/10; CHR/RES/2000/12; Sub-C/RES/1999/9; A/RES/54/196 and 232).

1. Mr. NAZARIAN (Observer for Armenia) said that the right to development was vital to the peace and security of societies. As all human rights were interdependent and interrelated, the denial of the right to development, by force or in any other way, amounted to a gross violation of human rights. The use of unilateral coercive measures against a State in the field of trade, investment and cooperation could have severe negative effects on the right to development, but some States nevertheless persisted in imposing such measures on other States, in defiance of resolutions of the General Assembly and other United Nations bodies. Such measures, when deployed against developing countries or countries with economies in transition led to political instability, civil unrest and serious socio-economic problems.

2. Referring to General Assembly resolution 54/172 and Commission on Human Rights resolutions 1999/21 and 2000/11, he expressed deep concern about the negative impact of the blockade imposed on his country by two neighbouring States. A decade-long trade and communications blockade had had disastrous effects on the country's economy and on large sectors of its population, particularly the most vulnerable groups. The destabilizing effects of unilateral coercive measures on a country's economy, development and social welfare were a serious breach of human rights.

3. He drew attention to paragraph 2 of Commission on Human Rights resolution 2000/11, which invited all States to consider adopting measures to counteract the extraterritorial application of unilateral coercive measures. The indiscriminate use of such measures by two of his country's neighbours should be condemned. He welcomed the legislation adopted by certain developed countries to ban humanitarian assistance to States applying such measures and hoped that the Sub-Commission would recognize the urgent need to put a stop to such practices, which hampered the enjoyment of the right to development.

4. Mr. SHIN Gil-sou (Observer for the Republic of Korea) welcomed the Sub-Commission's contribution to international efforts to eradicate poverty and promote sustainable human development. It was encouraging to see a growing consensus among the members of the international community that the eradication of poverty was one of the best ways to guarantee human rights throughout the world. As Mr. Weissbrodt had pointed out in his working paper (E/CN.4/Sub.2/2000/WG.2/WP.1), there was reason to believe that increased attention to human rights by companies might lead to improved business performance in the long run. The working paper could serve as a basis for identifying business practices which could help to increase respect for human rights.

5. Globalization had contributed greatly to the enhancement of human rights by boosting economic growth and thus reducing poverty, but there was growing concern about some countries' inability to take advantage of its benefits. The biggest challenge was to spread the benefits of economic growth so that everyone benefited from globalization. Like it or not, globalization was a fact of life, and the Sub-Commission should guide the international community in its efforts to make it work for the betterment of all.

6. His delegation wished to see more attention paid to the "digital divide". Education would play a critical role in bridging the technological gap between countries by developing the potential of people in the developing world.

7. Mrs. PEREZ DUARTE (Observer for Mexico) said that her Government attached top priority to the exercise of Mexicans' economic, social and cultural rights. At a time of thorough democratic reform, the basic consensus was that only sustained economic growth and poverty-eradication policies could satisfy the demands of Mexican society. Her Government's central aim was to create opportunities for the well-being of all. The first step in its approach was a competitive share in globalization, and the second was to strive for sustained economic growth. Of course, neither of those steps could result immediately in adequate opportunities, especially for the very poor; a third essential, step, therefore, was the application of sound social welfare policies.

8. The national economic growth for the current year would be between 4.5 and 5 per cent, giving an average annual growth of at least 5 per cent over the past five years; more than 3 million jobs would have been created and, according to calculations, inflation would be less than 10 per cent at the end of the year. Over the past five years, social development expenditure had increased by 7 per cent annually, and social spending accounted for 61 per cent of the budget for the current year, representing some 10 per cent of gross domestic product (GDP) - an unprecedented level.

9. There had been growing budget allocations for education, health and social security, regional and urban development and the campaign against poverty, including measures to include basic services, tackle social marginalization and combat extreme poverty. The strategy was twofold: action relating to the population as a whole and action targeting the poor.

10. As instances of the progress made, a further 18 million people had been covered by health services during the past six years, bringing to 98 per cent of the population those having access to basic health services; while, in education, 94 of every 100 Mexican children between 6 and 14 years of age attended school, and 9 out of 10 Mexicans could read and write.

11. Mexico already met most of the requirements established at the Copenhagen World Summit for Social Development. Mexicans' average expectation of life was 75 years, 15 years more than the figure established at the Summit; the mortality rate for children up to five years of age was 28 per 1,000 - lower than the Summit target of 45 per 1,000; vaccination coverage was complete; malnutrition had been reduced by half during the past decade; and 86 per cent of children completed primary education, compared to the figure of 80 per cent called for at the World Summit. A programme of education, health and nutrition, entitled Progress, had been implemented over the past few years, and had benefited some 2.6 million families, equivalent to 14 million people, living in marginalized rural areas; the programme covered schooling, nutrition for infants and expectant and nursing mothers, family medical services, cash benefits for food and assistance for farmers with a low productive capacity.

12. Effective safeguards for economic, social and cultural rights were an international priority and a globalized economy must thus have a social pillar. There were over 150 million unemployed and 900 million underemployed in the world; over 1.2 billion persons lived in poverty; over 1 billion adults were illiterate; 2.4 billion lacked access to basic services; and by the year 2010 there would be 40 million orphans, in Africa alone, as a result of AIDS.

13. Mexico had therefore worked intensely at the recent special session of the General Assembly which had revised and updated international commitments relating to social development. An important outcome of that session was the recognition that there must be a structural link between macroeconomic policies and social development needs, including the needs of the most disadvantaged countries and of vulnerable groups such as women, children, immigrants and indigenous peoples, all matters calling for urgent attention.

14. Despite the huge challenges Mexico still faced in connection with economic, social and cultural rights, as a result of the legacies of history, population trends and marked regional imbalances, significant progress had already been made. Only the exercise of those rights could ensure the widespread success of Mexico's current democratic reforms.

15. Mr. ALFONSO MARTÍNEZ said that, while he welcomed the greater attention being paid to economic, social and cultural rights as a result of the pioneering work of the Sub-Commission and its experts, there was a danger that too great a proliferation of sub-items might prevent the Sub-Commission from giving them all the attention they deserved. It was already impossible to digest all the documentation on the current agenda item, although he paid tribute to the important contribution of non-governmental organizations (NGOs) to the documentation for the session. It might be useful to declare a "voluntary moratorium" on further sub-items, so that the Sub-Commission could focus on those already before it.

16. The renewed attention to economic, social and cultural rights was not surprising, given all the talk of universality and interdependence at the World Conference on Human Rights held

in Vienna in 1993. Although the work of the Sub-Commission had been characterized in the past by a tendency to have priorities among human rights, there was no such thing as first- and second-class human rights, however, as Mr. Yokota had pointed out earlier. The difficulties in realizing economic, social and cultural rights were not confined to developing countries but they were a more pressing problem there than in the developed countries.

17. A pertinent question had been asked by Mr. Guissé regarding the kind of world that future generations would inherit if underdevelopment persisted. Indeed, despite four or five decades of development efforts, the gap between the haves and the have-nots was still widening. The realization of human rights was a worldwide problem: even in the developed countries, millions were denied the right to work and lived below the poverty line, while some 40,000 children around the world died every day from preventable diseases. In fact, the more he saw of the kind of world the future generations would inherit, the less he liked it.

18. The post-modern world was dominated by the economic and political trends of neo-liberal globalization and the dominance of transnational corporations motivated purely by profit. In addition, tens, or perhaps hundreds, of millions of people were affected by unilateral sanctions or sanctions imposed by international organizations which were kept in place even after their lack of effectiveness had become notorious simply because some Power refused to acknowledge that they violated the human rights of thousands of children, women and old people.

19. With regard to Commission on Human Rights decision 2000/107, he said it would not be possible to hold the Social Forum during a three-week session of the Sub-Commission; it would have to be held between sessions. The most pressing matter was to decide how to organize the Forum and who was to participate therein.

20. The Commission had been short-sighted in its handling of the issue of the right to drinking water supply and sanitation services; it was apparently not convinced that it was a human right. Its error lay in not making the link between access to drinking water and sanitation services and the rights to life and to health. In Africa and Latin America, thousands of people were dying or falling sick precisely because of that lack of access.

21. The preliminary report submitted by Mr. Oloka-Onyango and Ms. Udagama (E/CN.4/Sub.2/2000/13) on globalization and its impact on the full enjoyment of human rights would make an excellent doctoral thesis, on account of its structure, arguments and thorough use of references, and indeed, future studies on the sub-item could well be based on the synopsis distributed by the authors. Among its merits was the introduction of a gender perspective. He agreed wholeheartedly with their conclusion that there was a need for a critical reconceptualization of the policies and instruments of international trade, investment and finance (para. 62) and that some way must be found to control the activities of transnational corporations (para. 66). He believed that the United Nations was in a position to go further than simply providing guidelines, and could take steps to ensure that a code of conduct was not just a list of pious wishes. The authors should certainly prepare a further report.

22. He had one criticism of the report. He disagreed with the assertion that the primacy of human rights law over all other regimes of international law was a basic and fundamental

principle (para. 63). It was important to observe all the principles of international law, as mentioned in the author's own synopsis; no single principle was so important it could override the sovereign equality of States or the principle of the legitimate use of force. Indeed, the legitimate use of force was one of the cardinal principles of international public law, although the humanitarian situation in Kosovo had been invoked to justify an unauthorized use of force.

23. Mr. IQBAL KHAN (Observer for Pakistan) said that effective measures to realize economic, social and cultural rights required an objective assessment of the key impediments, most of which, in a globalized economy, arose from the inequitable functioning of the international trade and financial structure. Globalization had hitherto benefited only a select group of countries and peoples, its adverse effects being borne by the rest of the world. The developing countries' concerted national efforts to counter the effects were hampered by the lack of an enabling international climate for development.

24. His delegation was encouraged by the broad thrust of the Special Rapporteurs' preliminary report (E/CN.4/Sub.2/2000/13), which highlighted the need to improve further the international economic structure - for example, by promoting greater transparency and accountability in the international financial system's policy-making institutions. It hoped to discuss the matter further with the Sub-Commission experts, and drew their attention to the current debate in other international organizations, as well as various international conferences and seminars, on globalization. It should be stressed that such institutions must act in a manner that would promote greater equity in international trade and financial policy if an environment conducive to the realization of economic and social rights was to evolve.

25. It was important, however, to aim at development goals to promote human rights, rather than seek to enforce human rights at the cost of economic development; the latter approach could mask the desire to sanction developing countries in the guise of human rights and social concerns, despite clear evidence that such action only worsened the situation of human rights - a concern reflected in paragraph 17 of the preliminary report.

26. The sustained economic progress vital to the realization of economic and social rights required a focus on priority areas such as the right to development. The Sub-Commission's discussions had laid the foundations for the Working Group on the Right to Development to address the question of implementing that right. It was to be hoped that the Special Rapporteurs' final report would accord greater priority to the importance of that right in the globalized economy.

27. In that regard, there were a number of rights that should be observed as requisite international development indicators. One was the right to adequate development financing, involving the monitoring of existing commitments, the resolution of the debt overhang and progress towards an equitable, stable and predictable global financial system. The second right was to equitable global trade rules, calculated to promote the developing countries' growth prospects and to adopt measures to rectify inequities. The third right was that of fair access to knowledge and technology, including the consistent monitoring of international regimes that blocked access to technology. A fourth right was the absence of discrimination based on

political or other non-economic reasons. A fifth right was that of effective participation in international economic decision-making, in forums open to all countries on an equal footing. Such goals were realistic and achievable, and it was to be hoped that the Special Rapporteurs would take account of them in preparing their final report.

28. Mr. OYARCE (Observer for Chile) said it was clear that globalization needed to be governed and regulated in order to mitigate its negative impact. The preliminary report by the Special Rapporteurs (E/CN.4/Sub.2/2000/13) contained an analysis and recommendations, chiefly focused on the concept of human development and human rights in general, as reflected in the Vienna Declaration and Programme of Action. In the approach to the issue of human rights and globalization, the Sub-Commission had a significant part to play.

29. First of all, the United Nations system and financial institutions should take steps to promote development conducive to human security. Paragraph 21 of the report noted the steps taken by the World Bank in that regard. A second area for consideration, reflected in paragraph 17, was the forging of a link between issues concerning trade, human rights, labour standards and the environment, particularly when couched in terms of conditionality - which gave rise to the problem of reconciling the universal application of basic human rights with economic realities; the Sub-Commission and its experts could help considerably in that sphere. Thirdly, a dialogue between the Sub-Commission's experts and financial institutions could be useful; the talks between the Economic and Social Council and the World Bank provided a noteworthy precedent. Fourthly, the Sub-Commission should continue its work to promote the establishment of human rights principles and guidelines for globalization entities. In that respect, action taken within the area of multinational corporations was an interesting development. The socio-political context of regulation should be such as to promote the sort of standard-setting that would lead to real progress. Fifthly, the Sub-Commission could contribute to analysing the socio-cultural and human scope of the issue. As suggested in paragraph 9 of the report, forms of globalization coming from below, through civil society movement, as well as those coming from above through economic power structures, could be considered.

30. His delegation looked forward to the next stage of the report, which it hoped would involve a larger number of experts, with a view to emphasizing the paramount importance of human rights principles and standards in the hitherto predominantly economic approach.

31. Mr. SANDOVAL (Observer for Colombia) said that the right to development was one of a set of economic, social and cultural rights whose exercise involved the convergence of international commitments and action at the national level. Because of the international dimension involved, States must strive to promote a suitable international climate not circumscribed by purely econometric values. The information revolution stimulated by globalization must be so channelled as to benefit as many as possible of mankind. Technology transfer and widespread acquisition of technological skills, for example, were the prerequisite for a sound basis for development.

32. Freedom of mutual trade, the dismantling of protectionism and the free movement of all factors of production were essential for growth. Uniform, equitable standards and practices were

essential, as well as an end to the widespread systems of subsidies and the removal of trade barriers. Likewise, the international financial system must be strengthened so as to prevent or limit external crises and provide assistance on favourable terms, including the financing of infrastructural and social projects.

33. Globalization, because of its relatively recent advent and colossal magnitude, called for rigorous control. Trade liberalization and market globalization brought many opportunities for growth; nevertheless, the increase in national and world wealth must be channelled to general well-being, based on social justice, especially for the most vulnerable sectors. Globalization must go hand-in-hand with international cooperation for that purpose. State participation in adopting international trade, financial, scientific and technological policies must develop in quality and quantity. The delays in implementing programmes agreed long ago with the advanced nations to develop basic education and health programmes in other countries was disquieting in that regard.

34. The domestic aspect of the right to development involved the State's role in responsible economic management. Good governance and transparency in public administration were imperative, as were the promotion of education and national technological capacity and an increased involvement of citizens in economic decision-making. His delegation reiterated the need to consider the topic, in a holistic, constructive and non-confrontational way, in the future sessions of the Working Group on the Right to Development.

35. Mr. SABHARWAL (Observer for India) said that the Declaration on the Right to Development and the Vienna Declaration and Programme of Action had been important landmarks in recognizing that right and stressing the interdependence of democracy, development and respect for human rights and fundamental freedoms. Unfortunately, matters had been largely confined to futile debate about the relative importance of civil and political rights on the one hand and economic, social and cultural rights on the other, thus distracting attention from the steps necessary to realize the right to development, which synthesized both sets of rights and called for democracy, transparent and accountable governance and the full enjoyment of civil and political rights.

36. Civil and political rights could not be denied on the grounds that poverty existed; democracy alone could ensure a share in development. Nevertheless, poverty and lack of development were major obstacles to the enjoyment of human rights that must be overcome as a matter of priority - a point not fully recognized, unfortunately. A so-called rights-based approach to development, commonly propagated, must not involve conditionalities to development or development aid; a developmental approach to human rights was the current need.

37. While the Declaration on the Right to Development stipulated that it was the right and duty of States to formulate appropriate national development policies, it also mentioned their duty to cooperate with each other in eliminating obstacles and called upon them to act in such a manner as to promote a new international economic order based on sovereign equality, interdependence, mutual interest and cooperation. Steps to strengthen international cooperation were needed to that end; and particular attention should be given to the connection between the inequitable nature of the international economy and the inability of millions to enjoy their human

rights, including the right to development. His delegation would support constructively the efforts of the Working Group on the Right to Development to that end, and hoped that it would facilitate a fruitful dialogue.

38. With regard to India's recent actions relating to the right to development, the current Union Budget aimed, inter alia, at an annual job growth of 7 to 8 per cent, with a view to eradicating poverty within a decade. The budget measures focused particularly on strengthening the rural economy, developing human resources, making universal primary education available and providing health care for women and children. Likewise, all existing legislation and government schemes would be reviewed to promote the role of women in the national economy. Despite resource constraints, India had not neglected international cooperation; some 5 billion rupees per annum were being provided for technical and economic cooperation with developing countries.

39. Mr. MIRIAN (Observer for the Islamic Republic of Iran) said that little progress had been made in implementing the Declaration on the Right to Development. A holistic and multidimensional approach was needed to remove the obstacles to realization of that right, which had both national and international dimensions. Effective development policies at the national level should be combined with the establishment of equitable economic relations and a favourable development climate at the international level. If a handful of developed countries continued to take decisions on crucial macroeconomic and monetary policies without consulting the developing countries, the international economic climate could not be responsive to the needs of the majority of the world's population.

40. Unilateral coercive measures, policies and practices by countries with a predominant position in the world economy had an adverse impact on the enjoyment of the right to development by the populations of the countries concerned. The extraterritorial application of domestic legislation to developing countries was a clear breach of international law. Sustainable development depended on respect for the principle of free international economic relations.

41. The suggestions contained in the study by the independent expert of the Commission on Human Rights on the current state of progress in the implementation of the right to development (E/CN.4/1999/WG.18/2) provided a good basis for an exchange of views in the Working Group on the Right to Development and the Commission itself. He welcomed the independent expert's proposal for the establishment of a forum, under the supervision of the Commission, for exchanges of views among representatives of Governments and international financial institutions. It was regrettable that the Working Group had not yet been convened, since it could have made constructive proposals to the Commission.

42. Mr. BIN HASSAN (Observer for Yemen) said that his delegation supported all resolutions and recommendations on the right to development adopted by the Commission on Human Rights and the Sub-Commission. Progress in the enjoyment of that right in the developing countries had a major positive impact on the enjoyment of other human rights. His country had set up a National Commission on Human Rights and the Government was

implementing numerous development programmes that were enhancing the quality of life of the people. A difficult financial and administrative reform programme was being carried out in cooperation with international institutions and its results had been commended by both the World Bank and the International Monetary Fund (IMF).

43. Since the reunification of Yemen and the introduction of democracy and political pluralism, free parliamentary elections had been held twice, in 1993 and 1997, and presidential elections had been held in 1999. A Local Administration Act had recently been passed with a view to decentralizing authority to the governorates and ensuring that the needs of local communities were met.

44. Yemen particularly appreciated the work of the Office of the High Commissioner for Human Rights (OHCHR), on the topic of globalization which, despite some positive aspects, had created difficulties for the developing countries because it widened the gap between rich and poor countries. Action must be taken to narrow that gap and to work out appropriate solutions to the existing problems.

45. Support and cooperation on the part of the developed countries and international donor institutions would be needed to implement the decisions and recommendations adopted at the three workshops organized by OHCHR in the Asia and Pacific region - one in Sana'a, Yemen, one in India and one in China. The High Commissioner had visited Sana'a and met the country's top decision makers, including the President and the Prime Minister. Productive relations had been established and a bilateral cooperation agreement between the National Commission on Human Rights and OHCHR was about to be signed.

46. The Government and people of Yemen wished to thank the States that had provided them with development assistance, particularly Germany, the Netherlands and Japan.

47. Mr. PARK said that all human rights were indivisible and interdependent and should be treated as such. They should be viewed not in terms of their association with groups of rights as traditionally understood but in the light of human necessity. For example, the right to drinking water and sanitation services and the right to be free from extreme poverty should not be considered apart from the right to life. Economic and social rights should not be treated as though they belonged in the domain of progressive development.

48. A more concrete and outcome-oriented approach was needed. Ways and means of enforcing such rights should be worked out in detail in terms of the kinds of conduct that constituted a violation of economic and social rights; the remedies that were conceivable and could be granted to victims and the forum in which their claims for justice could be heard. Indicators and early-warning systems should be developed to identify on the basis of objective criteria cases in which economic and social rights had been violated.

49. He had been shocked to read in Mr. Guissé's working papers (E/CN.4/Sub.2/2000/16 and E/CN.4/Sub.2/1998/7) of the plight of people deprived of adequate drinking water and sanitation services. However, it seemed that their plight could be alleviated if and when underground water reserves could be harnessed to the full by means of cutting-edge technology and political will. There again, it was necessary to take a systematic look at the issue in terms of the pertinent rights

under the existing human rights treaties, the available remedies and the forums for obtaining redress for the wrongs suffered. Such an exploration of the issue should be accompanied by more realistic and constructive recommendations regarding expedient solutions and providing timely relief for the affected communities.

50. He was greatly impressed by the penetrating analysis of globalization and its impact on the full enjoyment of human rights in the preliminary report by Mr. Oloka-Onyango and Ms. Udagama (E/CN.4/Sub.2/2000/13), particularly the attention drawn to racial marginalization and the feminization of poverty. He fully agreed that norms and institutions in the area of international trade were woefully indifferent to the call for fairness and respect for human rights in the context of distributive justice and that a far-reaching reform was urgently needed in the making and implementation of the policies of international financial institutions, including the World Bank and IMF. Another relevant point was the need for a level playing field and fairness in the debate on international trade law and organizations to address the injustices being done to States and peoples that were not on an equal footing with developed countries and were therefore unable to compete with them.

51. It would be most helpful if future reports could shed light on the specific rights that had been violated and the duties neglected by Governments and international organizations, and the remedies available to the victims. Courses of action should be identified, not only for international trade and financial institutions but also for human rights treaty bodies and the Sub-Commission itself.

52. He expressed admiration for Mr. Weissbrodt's working papers on the principles relating to human rights conduct of companies (E/CN.4/Sub.2/2000/WG.2/WP.1 and Add.1). His efforts to establish international standards, eventually with binding force, together with those of Mr. Oloka-Onyango and Ms. Udagama, would be recorded as a meaningful contribution to the endeavour to remedy the adverse impact of globalization on the lives of the majority of the world's population. The sessional working group on the working methods and activities of transnational corporations and the Sub-Commission itself should serve as a forum of redress for victims whose basic rights had been breached by transnational corporations and a place where constructive NGO suggestions and initiatives were fully appreciated and the international standards for the regulation of the behaviour of transnational corporations were proclaimed and established.

53. It was a significant achievement that some aspects of the activities of transnational corporations were being viewed in terms of criminality rather than of entrepreneurial creativity or economic necessity. A list of the rights of people who were vulnerable to exploitation by such companies should be compiled. If a monitoring system was established without reference to performance standards or indicators, the relevance of the rules governing the conduct of companies would be questionable. There was also a lack of the kind of information that could be used to assess their behaviour. A coordinated effort throughout the United Nations system was needed to address that problem.

54. With regard to enforcement, he wondered whether effective legal control was possible in the case of corporations that were not primary subjects of international law. The countries of incorporation or origin were either indifferent or turned a blind eye to their behaviour unless it

adversely affected their own economies. Host countries were unwilling or could not afford to exercise legal control over such powerful corporations. He suggested that the Sub-Commission should focus on how transnational corporations managed to evade legal control and should bring the issue to the attention of States, encouraging them to take a firmer stand on the matter. It should also encourage parliaments and judiciaries to enact and apply legislation to ensure that human rights norms were fully reflected in the regulations governing transnational corporations.

55. The forthcoming World Conference against Racism should be taken into consideration in the discussion on the holding of a Social Forum either during or after the next session of the Sub-Commission. Every effort should be made to enhance the synergetic impact of the two events.

56. Mr. RODRÍGUEZ CUADROS said that the IMF had just announced that world growth in the year 2000 was expected to attain 4.75 per cent, the highest figure recorded since the Second World War. But the World Bank, in its publication Development and Human Rights: The Role of the World Bank, had presented the other side of the story. In spite of the growth of the world economy, over 3,000 million people in the developing world still lived in poverty and their numbers were constantly rising. Every year some 8 million children died of diseases caused by water and air pollution; 50 million suffered mental or physical disabilities as a result of malnutrition; and 130 million - 80 per cent of whom were girls - had no access to education. Those figures showed the extent of the problem of inequality. It was a situation that seriously undermined the realization of economic and social rights and created material and social obstacles to the enjoyment by millions of people of fundamental freedoms and civil and political rights.

57. The open economy driven by globalization required stable and predictable markets, which in their turn depended on the existence of democratic and stable political regimes. But democracy, to be effective, required a minimum of social cohesion and could not flourish where some sectors of the population were marginalized. Inclusive democracy guaranteed social peace, stability and security. It followed that international peace, human rights, democracy and development were interdependent concepts.

58. Economic and social rights and issues relating to development and poverty were being assigned higher priority, especially in civil society. It was encouraging that even the World Bank had begun to include human rights - and economic and social rights in particular - in its deliberations and work. The development variable in world trade had become a key topic on the agenda of the World Trade Organization (WTO) since the events in Seattle. In general, the idea of "governance" of the process of globalization and of domestic economic and social policies was gaining ground, both in official circles and in civil society.

59. Good intentions must be put into practice, however. It was increasingly recognized that sustainable development was impossible without respect for human rights. The United Nations Development Programme (UNDP) had adopted a rights-based approach and the World Bank was also addressing the issue; as for the IMF, it had, in principle, accepted that macroeconomic and social equilibrium must go hand in hand.

60. At the international level, IMF should extend its new Poverty Reduction and Growth Facility to include all the developing countries experiencing severe poverty problems. It could also make its financing dependent on certain sustainable goals being reached, such as the reduction of infant mortality, of malnutrition, and of school drop-out rates. The World Bank, for its part, should ensure that NGOs, local government and organized civil society were involved in project management. New approaches were also needed to ensure that the alleviation of foreign debt was directly linked to human rights and poverty eradication. The WTO should emphasize the development dimension of trade and the principle of special and differentiated treatment, particularly in relation to market access and national governance of globalization. It was also essential to take action in the area of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and its consequences for the enjoyment of human rights.

61. Within the agencies of the United Nations system, it was necessary to establish more effective mechanisms, including a system of indicators, to monitor States' compliance with their international obligations, including the progressive achievement of the full realization of economic, social and cultural rights. Governments should use market mechanisms, inter alia, to reduce inequalities in income distribution, often a determining factor of poverty and social exclusion.

62. NGOs, ombudsmen and the institutions of civil society could redouble their efforts to use all the machinery of the United Nations system and of the regional systems to help victims to submit communications regarding violations of economic and social rights.

63. Mr. OLOKA-ONYANGO said he welcomed the comments made by members of the Sub-Commission, observers for Governments and NGO representatives on the preliminary report on globalization and its impact on the full enjoyment of human rights (E/CN.4/Sub.2/2000/13), which he had prepared jointly with Ms. Udagama. As part of their ongoing work on that broad issue, they would attempt to define the precise nature of the dialogue between the various actors in the "globalization debate", in particular transnational corporations, States and civil society; they would also seek to elaborate (or "restate") existing international human rights law in relation to those actors; to develop ways of fostering the positive aspects of globalization in the context of human rights law; and to identify critical aspects of the issue on which the Sub-Commission might productively focus.

64. Ms. UDAGAMA said that she had been encouraged by the positive response to the preliminary report, but stressed that it was no more than an initial study of a highly complex subject. If the mandate of the Special Rapporteurs was renewed, the next stage would be for them to sharpen the focus of the study. The impact on human rights of specific economic policies of multilateral organizations deserved particular attention, as did the WTO policy-making processes and complaints mechanism. They also proposed to continue monitoring the role of States, taking into account power imbalances and problems associated with the economic imperatives of developing countries. Transnational corporations were major players and the report would be incomplete without a study of their impact. The role of civil society as a driving force for humanizing the process of economic globalization must also be

explored. Another major area deserving further attention was the application of international human rights principles in the context of globalization. The major challenge would be to elaborate mechanisms within the United Nations for monitoring the compliance of multinationals with human rights standards.

65. Mr. GUISSÉ, introducing the report of the Working Group on Transnational Corporations (E/CN.4/Sub.2/2000/12), said that the Working Group had met four times in the current year, and had benefited from broad NGO participation. It had been decided that Mr. Weissbrodt would continue to consider rules or instruments which might be elaborated, while Mr. Eide would concentrate on identifying principles for their implementation. For his own part, he intended to draft a paper describing the range of possible human rights violations by transnational corporations, and the responsibilities of both the latter and of States.

66. The Working Group had welcomed Mr. Kartashkin's suggestion that a declaration on the activities of transnational corporations be drafted. It had also proposed that support should be afforded to NGOs willing to stage seminars on issues relating to the impact of the activities of transnational corporations on human rights. The Working Group had been unable to complete its year's work due to time constraints and would benefit greatly from an additional meeting.

The meeting rose at 5 p.m.